

# State of Colorado



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### ATTENTION:

## Rocky Mountain HMO NOT AVAILABLE FOR 2004 Rate Increases for Medical Plans Please read this letter THOROUGHLY

October 20, 2003

**TO:** COBRA MEDICAL/DENTAL PARTICIPANTS  
**FROM:** State of Colorado, Employee Benefits Unit  
**SUBJECT:** **COBRA OPEN ENROLLMENT: November 1 – November 30, 2003**

As a COBRA medical and/or dental participant, you will want to read this letter carefully. Group health coverage offered under COBRA is the same as coverage provided to active state employees and their eligible dependents. If the state changes the coverage for active employees and their dependents, the coverage provided under COBRA will change in the same manner.

This year's open enrollment is a passive enrollment. This means that if you do not want to make changes to your existing coverage for the 2004 plan year, you do not need to complete the open enrollment form, except for those participants currently enrolled in Rocky Mountain HMO. \* If you are currently enrolled in **Rocky Mountain HMO** and you wish to continue your medical insurance under COBRA into 2004, **you must complete and return** the open enrollment form. If you want to make changes (for example, adding a spouse or changing plans), you must complete the open enrollment form and return it to Employee Benefits with a *postmark* of no later than **November 30, 2003**. Forms received with a later postmark will not be processed.

\* Rocky Mountain HMO, available for 2003, **WILL NOT** be offered for 2004. (See "MEDICAL" on page 2.)

Kaiser HMO, PacifiCare HMO and San Luis Valley HMO are all available for the plan year 2004.

The Anthem Blue Cross & Blue Shield (ABCBS) Centennial PPO Plan remains available for plan year 2004. The Centennial PPO Plan works like most traditional PPO plans, where you pay an annual deductible and coinsurance before the plan pays a percentage of in-network and out-of-network benefits. The Anthem Blue Cross & Blue Shield Liberty EPO Plan, also available in 2004, is similar to an HMO in that it has no out-of-network coverage.

Delta Dental continues as the carrier for the state's dental program for 2004 with the same two dental plans - the BASIC Plan and the BASIC PLUS Plan (see "DENTAL" on page 2).

### ELIGIBILITY:

The annual COBRA Open Enrollment period also permits you to add eligible dependents to your existing medical and/or dental coverages. Dependents enrolled during this open enrollment period, except for newborns and adopted children, are **NOT** considered Qualified Beneficiaries. This means that these dependents who are added on during the open enrollment period would lose medical and / or dental coverage under COBRA if the original Qualified Beneficiary, whom they are a dependent of, were to lose coverage. Qualified Beneficiaries are those individuals covered under one of the state's health plans at the time of the employee's Qualifying Event. Also, dependents added to a COBRA medical plan and/or a COBRA dental plan during the open enrollment period shall have the balance of time remaining from the original COBRA Qualifying Event date. For example, if a dependent was eligible for 18 months of COBRA coverage at the time of the Qualifying Event, but did not elect to enroll in a medical and/or dental plan under COBRA, and 12 months have already lapsed since they originally elected not to enroll in COBRA coverage, their new enrollment in the COBRA medical and/or dental plan will be valid for only the remaining 6 months.

The ABCBS Centennial PPO Plan and the ABCBS Liberty EPO Plan are available in every county in the state as well as throughout the U.S. (provided the BCBS network is used). However, your HMO choices depend on your county of residence. Because the HMO plans cover specific counties, not all plans are available to you. To find the HMOs that are available in your county of residence and specific zip code locations, refer to the Colorado Health Plan Description Forms.

The HMO plans are: Kaiser Permanente HMO, PacifiCare HMO and San Luis Valley HMO.

### **MEDICAL**

If you and / or your dependent are currently enrolled in a COBRA **medical** plan and you wish to *continue* your current medical coverage for plan year 2004 (or for whatever portion of 2004 you and / or your dependent are eligible), you do **NOT** have to complete the **"Medical" portion** of this form.

If you are currently enrolled in a **medical** plan and wish to *make changes*, you **must complete and return** the "2004 COBRA Medical and Dental Election Form." You may add dependents who were eligible for, but did not elect COBRA medical coverage at the time of the Qualifying Event, or that you acquired since your original Qualifying Event. Review the new COBRA rates and enclosed medical enrollment information for 2004. You must pay your 2004 premiums to the carrier when due for your medical coverage to remain in effect. Complete and return the "2004 COBRA Medical and Dental Election Form" in the enclosed envelope self-addressed to Employee Benefits. (See ELIGIBILITY on page 2.)

A Primary Care Physician (PCP) selection is required for each enrollee in each HMO plan (including Kaiser Permanente HMO in the Colorado Springs Service Area). This PCP coordinates all of your care, including referrals to specialists, and you pay a small copayment each time you need care. You may select a PCP on the Internet through the DPA-Benefits Website, <http://www.colorado.gov/dpa/dhr>. Once you select a PCP, you should call the appropriate carrier to verify that the PCP and/or dentist you selected is still a member of that plan. A PCP selection is not required for the ABCBS Centennial PPO Plan or the ABCBS Liberty EPO Plan although you can still locate physicians through the same website.

### **DENTAL**

If you and / or your dependent are currently enrolled in the COBRA Delta Dental plan and wish to *continue* your current dental coverage for plan year 2004 (or for whatever portion of 2004 you and / or your dependent are eligible), you do **NOT** have to complete the **"Dental" portion** of this form.

If you are currently enrolled in the **dental** plan and wish to *make changes*, you **must complete and return** the "2004 COBRA Medical and Dental Election Form." You may add dependents who were eligible for, but did not elect COBRA dental coverage at the time of the Qualifying Event, or that you acquired since your original Qualifying Event. Review the COBRA rates and enclosed dental enrollment information for 2004. You must pay your 2004 premiums to the carrier when due for your dental coverage to remain in effect. Complete and return the "2004 COBRA Medical and Dental Election Form" in the enclosed envelope self-addressed to Employee Benefits. (See ELIGIBILITY on page 2.)

You may select a dentist on the Internet through the DPA-Benefits Website, <http://www.colorado.gov/dpa/dhr>. Once you select a dentist, you should call Delta Dental to verify that the dentist you selected is still a member of the plan.

If you have any questions, you may call the appropriate carrier (phone numbers are listed in the Plan Descriptions and on the reverse of the Enrollment form) or Employee Benefits at 1-800-719-3434 or 303-866-3434.

### **INFORMATION**

To assist you in your decision-making, we have enclosed the following materials:

- a. "COBRA 2004 Rates";
- b. "Colorado Health Plan Description Forms" containing a summary of each of the plans;
- c. "2004 COBRA Medical and Dental Election Form" with a self-addressed return envelope to Employee Benefits for your medical and dental form;
- d. Three affidavits: (Common Law Marriage, Custody for Foster Child, Custody for Grandchild)

This year the Colorado Health Plan Description Forms, and other benefits information, are also available online at [www.colorado.gov/dpa/dhr](http://www.colorado.gov/dpa/dhr). Additionally, you can find the *Health Matters 2003*, a quality report of Colorado health plans and hospitals, online at [www.colorado.gov/dpa/dhr/benefits/2004/docs/matters.pdf](http://www.colorado.gov/dpa/dhr/benefits/2004/docs/matters.pdf).

Starting with next year's open enrollment for the 2005 plan year, the COBRA Open Enrollment will be conducted exclusively online. Selections will be made via an on-line system. Information such as the Description Forms will not be mailed, but will instead be available through the Employee Benefits site. This is an attempt to meet the demands of the State's current budget challenges by reducing printing and postage costs. Even though a letter of instructions will be mailed prior to next year's Open Enrollment, we encourage you to familiarize yourself with the website ([www.colorado.gov/dpa/dhr](http://www.colorado.gov/dpa/dhr)) and the information posted there over the next year.

### **Remember:**

**The "2004 COBRA Medical and Dental Election Form" must be returned in the envelope self-addressed to Employee Benefits postmarked no later than November 30, 2003. Those who had Rocky Mountain HMO in 2003 and wish to continue medical insurance under COBRA for 2004, MUST select a new insurance carrier.**

### **ADDITIONAL COBRA INFORMATION**

**These changes apply ONLY if you are currently enrolled in COBRA medical and/or COBRA dental coverage.**

### **COVERAGE FOR DISABLED BENEFICIARIES**

You, or your covered dependents (spouse and/or eligible children), may be able to extend existing COBRA medical and/or dental coverage from 18 months to 29 months, if the Social Security Administration, PERA, or Standard Insurance Company determines that a disability existed on the day COBRA coverage began or that a disability began anytime during the first 60 days of COBRA continuation coverage. Under previous rules, you had to be disabled on the day you qualified for COBRA coverage to be eligible for this additional coverage. A 50 percent administrative fee is added to the monthly premiums for months 19 through 29.

To qualify for the extension, you must submit a copy of the Social Security, PERA, or Standard Insurance Company disability determination notice to the appropriate medical and/or dental plan within 60 days of the date of such notice and before the expiration of the original 18 months of COBRA coverage. You can usually request this notice from Social Security, PERA or Standard Insurance if you do not still have your original.

Spouses and dependent children who were covered by the employee's plan have always had separate COBRA election rights. The 1996 Health Insurance Portability & Accountability Act (HIPAA) law includes *a child who is born to or placed for adoption with the covered employee during the period of COBRA coverage*. In effect, this change would allow such a child to have Qualified Beneficiary status, thus his or her own COBRA election rights (if, for example, the parent/former employee died).

As has been true in the past, if you add a dependent during the COBRA period, coverage and premiums will be adjusted accordingly. The “add-on” dependents have no Qualified Beneficiary status except for a newborn of the employee or a child who is placed for adoption with the covered employee.